## Foundation Research Overview

### Finding the books and resources you need

***Free access:***

* Check the Foundation Center’s website (<http://www.foundationcenter.org>) for addresses of its main library in New York, its four field office sites, and its extensive network of cooperating collections in libraries, community foundations, and nonprofit centers around the country.
* Visit a local university or college library to see if it purchases the Foundation Center’s directories or subscribes to its databases. (Larger public libraries also may subscribe to the books and databases.)
* Explore the “Training” menu on the Foundation Center’s GrantSpace website (<http://www.grantspace.org>) for educational programs that may be offered near you and for a list of webinars and podcasts you can participate in from any computer.
* Search the Foundation Center website’s Philanthropy News Digest (PND) publication (<http://www.philanthropynewsdigest.org>) for announcements from foundations about proposals they are seeking (also called requests for proposals, or RFPs).
* Use a standard search engine to search the web for foundation prospects. In using the Internet as your data source, remember that more and more foundations in the United States have websites, but they still represent only about 10 percent of all foundations. Therefore, an online search can be valuable, but it’s also limited.

***If you must pay:***

* Consider a subscription (available for monthly or annual fees) to the Foundation Directory Online (we recommend the professional version). You can even share the cost with a colleague at another nonprofit organization. Take advantage of the center’s online introduction to making good use of the database for your research.
* Purchase a regional guide for your part of the country. Some regional associations of grant makers — such as the Grantmakers Forum of New York, which produces the *Online Guide to Grantmakers in the Rochester (NY) Region* — provide directories of their members. Remember that 70 percent of foundations award grants in the locations where they are based, so searching in your state or region can be a good place to start.

### Developing a broad list of prospects:

When using the search feature of the Foundation Directory Online or the indices in the back of the printed books, seek foundations that consider proposals for the following four criteria that match the profile of your organization and the grant you’re seeking:

* Field of interest or subject focus of their grant making
* Geographic focus of their grant making
* Types of project (what the Foundation Center calls “support strategy”) included in their grant making
* Type of grant (what the Foundation Center calls “transaction type”)

The Foundation Center website and the Foundation Directory Online both offer tutorials about how to conduct a grant search, and we highly recommend them. We provide a quick overview of this information to help you get started.

Let’s say you’ve gained access to the Foundation Directory Online Professional at a library or nonprofit center, or you’ve purchased a subscription. If you open the Foundation Directory Online Professional database and look at the top of the home page, you see the following options:

* **Search Grantmakers** allows you to peruse information about more than 100,000 grant-making foundations.
* **Search Companies** shows which businesses and corporations give directly out of their community relations, marketing, or other divisions, as well as those that have created company-sponsored foundations. If you’re looking at giving that comes directly from companies and corporations, remember that 50 percent of all of that giving is in-kind contributions (of goods and services).
* **Search Grants** is a database of actual, recent grants awarded by foundations.
* **Search 990s** is a database of tax forms filed by foundations and contains more than one million records. This tool is valuable if you’re looking for greater detail about giving by smaller foundations, but 990s from large foundations are enormous documents, and you’ll likely find searching their grants to be an easier tool.

Also available is “Power Search,” which sifts through the four above databases (and five others on the site) at once. (The five databases not in the bulleted list above are News, Jobs, Requests for Proposals, Nonprofit Literature, and Issue Lab Reports of research findings.)

At the bottom of each of the pages where you may insert your search terms, you will see a small check box with text that says “Exclude Grantmakers not Accepting Applications.” We recommend that you check that box and save yourself from the frustration of identifying foundation that interests you but that is not open to reviewing uninvited proposals.

We recommend that you begin with the “Search Grants” database of recent grants awarded and follow-up with a similar search in the “Search Grantmakers” database to learn more about the foundations that appeared when you looked at specific grants awarded. Others prefer beginning with “Search Grantmakers” and then digging deeper with “Search Grants” for examples. Either approach is fine.

Assuming you begin with “Search Grants,” after you enter your key terms and choose “search,” you will receive brief synopses of actual grants awarded. We find it helpful to look at specific examples of what the foundations do — not just their lofty language about their goals and programs. One caveat about taking this approach is that even though the Foundation Directory Online is updated weekly, you are looking at past behavior: If a foundation has changed its guidelines or focus, you might be misled by their previous behavior.

After you identify some grants that resemble the type of support you hope to secure, click through from the descriptions of those grants to read the profiles of the foundations that made them in the “Search Grantmakers” database. As you turn up examples of similar grants and plausible funders, you have the basis for a broad list of prospects. You’ve completed the first major step in your research! Along the right side of each of the foundation profiles, you may print the record, email it to yourself, tag it, or click on “Workspace” in the upper-right corner of the foundation profile to save it.

Workspace is a new tool that helps you analyze the foundations on your broad list of prospects, keep track of deadlines and other key dates, and track your work on proposals.

What if you don’t have very many prospects? If that happens, broaden the scope of your search. Maybe you were searching for “Nebraska” and for the keywords “habitat restoration” and not many examples appeared. (We found one.) You could broaden your geographic scope to “Nebraska” and broaden your subject to “environment.” (We found more than 2,000 examples.)

Of course, when hundreds of prospects come up, you will want to narrow your search terms to be more specific. Or, if you want to work from a very large list, we recommend that you sort them by size of grant and work your way through profiles of the foundations behind those grants, moving from largest to smallest.

### Refining your broad list of prospects

Read more detailed discussions and analyses of the goals and types of grants awarded by the foundations you have identified as possible sources. You may conduct this deeper research by:

1. Searching to see whether they have a website and reading that profile of their work. Or look for other publications focusing on giving to specific subjects or in your geographic area. Remember that not all foundations — indeed not all large foundations — have websites.
2. Using the “Power Search” feature of the Foundation Directory Online Professional to see whether they have published or supported publication of research or reports that are relevant to your work.
3. Reading their tax returns — 990-PF or 990. 990-PFs may be downloaded in PDF format through the Foundation Center website (<http://www.foundationcenter.org>) or GuideStar website (<http://www.guidestar.org>). (If your prospect is a large foundation, we don’t recommend this step because their PDFs will take a very long time to download.)

### Checking on details

### If a prospect continues to look like a good match for your project, we recommend that, unless the published information tells you not to do so, you call the foundation and ask any questions you still have. These may include the following:

* Have there been any recent changes in guidelines, or does information in the directories reflect their current priorities and interests?
* Do they have coming deadlines scheduled that you should meet?
* Do they have specific forms they want you to complete?
* Do they want you to submit a letter of inquiry before they will consider a full proposal?
* How likely are they to support organizations that haven’t received grants from them in the past?
* Do they have policies about the duration of funding? (Can you request a grant that would last for more than one year?)
* If you know a trustee, is it a good or bad idea to contact that person directly?
* Are they willing to support the full costs of a project, or do they prefer to see that you’re also seeking (or have received) grants from others?
* Do they cover indirect costs (if your project is part of the work of a large organization or institution)?
* Will they award grants to fiscal sponsors (if your project doesn’t yet have its own 501(c)(3) status)?
* How long does their decision-making process usually take?
* Do they like to receive audiovisual materials and other documentation of the organization’s work?

### Following instructions

* Heed the information you gather in these processes. No matter how terrific your idea may be, it’s unlikely that a foundation will overlook its guidelines for the sake of your project.
* Write and submit your letter of inquiry or proposal.
* Invite the program officer and/or foundation board members to visit your program if they would like additional information.
* Respond quickly and thoroughly if the foundation asks for additional information.
* Remain available to the foundations to which you have applied, but don’t hound them for a response to your request.